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Attorneys for Rodolfo A. Camacho Trustee

UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF OREGON

In re)	
THREE J'S DISTRIBUTING, INC.)	CASE NO. 18-32288-pcm7
)	
Debtor)	
)	
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RODOLFO A. CAMACHO, Trustee,)	
)	AD. PROC. NO.
Plaintiff,)	
)	COMPLAINT TO AVOID
v.)	PREFERENTIAL TRANSFER
)	
FARMER BROS. CO.)	
)	
Defendant.)	
)	
)	
)	
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Plaintiff alleges as follows:

INTRODUCTORY ALLEGATIONS

1. This adversary proceeding is brought pursuant to 11 U.S.C. §§ 547 and 550 to avoid a preference (lien perfection) made within 90 days prior to the Petition Date and to recover such transfer for the benefit of the estate.

2. This is a core proceeding and the Court has jurisdiction over this action under 28 U.S.C. §§ 1334, 157(b)(1), and 157(b)(2)(F), and (O).

3. On June 29, 2018 (the “Petition Date”), three petitioning creditors (including the Defendant) filed an involuntary petition for relief against the Debtor under Section 303 of the Bankruptcy Code (the “Code”). On August 15, 2018, the Debtor and the petitioning creditors entered into a Stipulated Consent to Order for Relief. On August 16, 2018, the Bankruptcy Court entered an order for relief.

4. Rodolfo A. Camacho was appointed as trustee of the Debtor’s estate (the “Trustee”).

5. On June 26, 2018, prior to the Petition Date, the Clackamas County Circuit Court signed a money judgment (the “Judgment”) in favor of Defendant Farmer Bros. Co. (“Defendant” or “Farmer Bros.”) in the principal amount of \$866,219.72 against the Debtor in the matter titled *Farmer Bros. Co. v. Three J's Distributing, Inc.*, Clackamas County Circuit Court Case No. 18CV17542. The Judgment was entered on June 27, 2018. Upon entry of the Judgment, a judgment lien was imposed by operation of law pursuant to ORS 18.150 on all real property owned by the Debtor in Clackamas County, Oregon.

6. The Debtor had an interest in real property in Clackamas County located at 9812 SE Elon Street, Clackamas, Oregon 97015 (the “Property”) and such interest became property of the estate upon entry of an order for relief. The judgment lien obtained by the Defendant attached to the Property and was perfected by Defendant two days before the Petition Date (the “Transfer”).

CLAIM FOR RELIEF

(Avoid and Recover Preferential Transfer Under 11 U.S.C. § § 547 and 550)

7. The Trustee restates and incorporates the allegations of paragraphs 1 through 6 above.

8. The Transfer; (a) was a transfer of an interest of the Debtor in a property; (b) was made to or for the benefit of the Defendant, a creditor; (b) was made on account of antecedent debt owed by the Debtor to the Defendant; (c) was made while the Debtor was insolvent; (d) was made on or within 90 days before the Petition Date; and (e) enabled Defendant to receive more than Defendant would receive if the case were a case under chapter 7 of the Code and such transfer had not been made and Defendant received payment to the extent provide by the Code.

9. The Trustee is entitled to a judgment avoiding Transfer under 11 U.S.C. § 547 and preserving the Transfer (the judgment lien) for the benefit of the estate under 11 U.S.C. § 550.

WHEREFORE, the Trustee requests entry of a judgment (a) avoiding the Transfer; and (b) preserving the judgment lien for the benefit of the estate.

DATED: June 11, 2020

LANE POWELL PC

By /s/ David W. Criswell

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